Donor's gift is received.

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2. Gift fee is a one-time charge to principal and is used to support the Foundation's operations.

3. Donor’s endowment produces a return as part of a pooled, diversified investment, selected by the Foundation’s Finance and Investment Committee to provide long term growth sufficient to fund spending and meet or exceed inflation. Return is net of fund manager fees and charges.

4. Investment policy specifies the spending distribution as 4.5% of the gift in the first full year. Each year thereafter, the spending distribution is increased by inflation.

5. Spending distribution leaves the endowment and is credited to the spending account.

6. Appreciation is accumulated return, net of spending distributions, and is retained in the endowment to maintain purchasing power and to accommodate spending distributions during any years with low return.

7. The University uses the spending account to support the purposes specified by the Donor.

8. The Foundation provides donors an annual financial report, showing investment performance and uses by the University.